

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7024**

**BILL NUMBER:** HB 1967

**NOTE PREPARED:** Dec 30, 2002

**BILL AMENDED:**

**SUBJECT:** Salaries of Township Officials.

**FIRST AUTHOR:** Rep. Thompson

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill allows a township legislative body to reduce an official's salary to a minimum salary level determined by reducing not more than ten of the previous salary increases that exceeded 3% to 3%.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Currently, the salary of an elected or appointed township official may be reduced to a minimum amount based on the salary that was fixed for the first year of the immediately preceding term of office. This bill provides that the minimum salary be based on a formula which reduces past salary increases that were above 3%, to 3%. Townships may be able to reduce future expenditures using this method if it provides for a lower salary than with the current method. The fiscal impact of this bill is dependent on local action and the number of salary increases that exceeded 3% in each township.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Townships.

**Information Sources:**

**Fiscal Analyst:** Valerie Ruda, 317-232-9867